

**GOVERNOR'S WORKFORCE INVESTMENT BOARD  
EXECUTIVE COMMITTEE MEETING**

**Red Lion Colonial Hotel  
Helena, Montana**

**September 1, 2004  
MINUTES**

**EXECUTIVE COMMITTEE MEMBERS PRESENT:** Chair Haley Beaudry, Ellen Engstedt, Dick Brown, Jerry Driscoll, Diane Harkins, Wendy Keating, Arlene Parisot, Gary Willis.

**COMMITTEE MEMBERS ABSENT:** Leroy Bingham, Carol Brooker, Lew Grill, Chuck Olson

**STAFF:** Kelly Chapman, Pam Watson

**GUESTS:** Jay Reardon, Julie Foster, Todd Younkin, Annette Miller, Patricia Hulla, Ingrid Childress, Mike O'Neill, Ken Switzer, Linda Moodry, Mary Berg, Mike Shoquist, Sue Mohr, Jim Davison, Deb Buxbaum, Penney Clark, Gary Warren, Suzanne Payton, Connie Kinsey.

**I. Call to Order**

Chairman Haley Beaudry called the meeting to order at 4:05 p.m.

**II. Welcome and Introductions**

Chairman Beaudry welcomed committee members and guests and asked for roll call.

He then asked for a motion to approve the agenda. Gary Willis made the motion, Ellen Engstedt seconded; motion carried unanimously.

**III. Review and Approval of Minutes**

Chairman Beaudry indicated the first item of business was the Review and Approval of Minutes. He reminded committee members to please keep in mind that the committee keeps record of meetings through minutes, and advised that the meeting would be taped for the purpose of ensuring accuracy when composing the minutes. Once the meeting minutes are approved by committee, they will represent the official record of the meeting and the tape will be destroyed. He asked if committee members had reviewed the minutes from May 20th, and asked for comments or corrections. Hearing none, Chairman Beaudry asked for public comment, of which there was none. Gary Willis moved to approve the minutes as submitted, Ellen Engstedt seconded. Motion passed unanimously.

**IV. US DOL's Vision of a Demand Driven Workforce System**

Kelly Chapman reported that over the last year, the U.S. Department of Labor has clarified its vision for a business-led, demand-driven workforce system, nationally. This is good news for the workforce system because it creates a unified vision across program lines for meeting the needs of business customers, particularly those businesses engaged in industry sectors and clusters requiring workers in high-demand, growth occupations.

Kelly Chapman stated that she believes Montana's workforce system has long viewed businesses as an important customer and advocate for the public workforce system. She also stated that she believes the State Board's vision is in alignment with the direction of the administration, and that the enhanced vision for a business-led, demand-driven workforce system provides the board with a renewed

opportunity to provide valuable input and advice to the Governor, and to provide a higher level of leadership to the workforce system.

The U.S. Department of Labor's Employment & Training Administration has defined 3 pillars of a demand-driven system, and correlating expectations for change to drive the transformation. These are: 1. Strategic planning leading to strategic investments; 2. Program and service integration leading to human capital solutions; and 3. Human capital solutions leading to increased worker opportunities.

The lynchpin to realizing this vision is strong leadership, and thinking in an entrepreneurial sense about how the board wants to grow the system to meet the needs of businesses. This will also require collaboration among the partners in the system and convening discussions with local board leadership, agency directors, all levels of education, and all levels of economic development to craft a unified vision with clear roles and expectations for everyone.

Chairman Beaudry asked for any further discussion. Ellen Engstedt asked if the U.S. Department of Labor has issued any documents relative to this new vision of the system being demand-driven. Kelly Chapman advised one of the most recent examples of their commitment to promoting a demand-driven system was the guidance letter issued that requires SWIB input and endorsement of the Labor Market Information (LMI) grant proposal. Chairman Beaudry stated that the State Chairs Association in recent years has switched to tying much more closely with economic development. Hearing no further discussion, he called for public comment, of which there was none.

## **V. Workforce Board Leadership Series**

Pam Watson discussed the possibility of the Board hosting a Workforce Board Leadership teleconference series. This is a 3-part series of national teleconferences presented by Greg Newton, Greg Newton Associates. The first in the Series is *Aligning for Action and Achievement*, to be held September 28, 2004. The second session will be held January 11, 2005, and is entitled *Ten Human Resource Challenges and What your Workforce Board Can Do to Make a Difference*. The final session is scheduled for April 12, 2005 and will be *Partnering with Economic Development: Creating the Workforce Advantage*. Each session is 2 hours in length. The cost for hosting all three sessions is \$2,699. For two sessions, the cost would be \$1,899, and for the September session only, the cost is \$1,099.

There is a site in Helena that can accommodate the technical requirements for hosting the teleconference satellite television broadcast, and the room will hold approximately 25 attendees. There would be no cost to use the site, and the Board would be allowed to videotape the conference for non-commercial use. Therefore, if there is a significant number of people interested in attending and the Helena site is too small, the board could present sessions at a later date, possibly during the next SWIB meeting if the committee and board decide to purchase the series. Staff is also in the process of pursuing other locations that could accommodate a larger audience.

Ms. Watson also reported regarding a second training curriculum the Board may want to purchase. The National Association of Workforce Boards (NAWB) has developed a one-day course on economic development for workforce board members and staff professionals. The course has 3 two-hour modules that increase awareness about economic development activities and resources, and provide insights for partnering with economic development entities on workforce issues. Each module is built around presentations, participant discussion, and practical exercises.

The course targets economic developers and the membership of local and State Workforce Investment Boards. It is recommended that key staff from the WIBs, as well as local economic development representatives also attend. Committee members received an attachment that discussed the course overview and an outline explaining that faculty would travel to Montana to present the course. There was also a cost proposal attached, which lists the price for purchasing the course at \$5,600.

Since the SWIB does not have funding dollars for training, Pam explained there are possibilities the board could pursue, such as partnering with the local boards and economic development partners, and possibly trying to receive technical assistance funds from the Statewide Workforce Programs Bureau or the USDOL regional office. Another cost consideration would be to hold the course during the next SWIB meeting in order to reduce travel expenses, and to ensure a favorable number of participants. Also, if the Board is interested in holding a Workforce Summit, both of these trainings could be scheduled as breakout sessions.

Wendy Keating asked Ms. Watson to expand on the Workforce Summit now, rather than waiting until the 2005 Work Plan discussion. Ms. Watson explained that staff had done some research on the Wyoming Workforce Summit that was held in June 2004, and was bringing the idea to the Executive Committee for consideration.

The Wyoming Summit was co-sponsored by the Department of Workforce Services and the Workforce Council, which serves as the SWIB in Wyoming. The cost for the summit was split between the Workforce Council using funds from their annual conference line-item budget, and incentive monies. The majority of expenses were paid using incentive dollars.

The Workforce Council and Workforce Services Department contracted with the University of Wyoming Conferences & Institutes to run the summit. UW booked the speakers and handled all travel arrangements, coordinated all conference arrangements and materials, and developed and maintained the website.

The Workforce Council sent out a survey to businesses to determine what topics were relevant and what the business community wanted and needed to hear at the Summit. High concern about healthcare issues and Unemployment Insurance and Work Comp coverage prompted several sessions on these topics, in addition to numerous others.

According to the summit evaluations, attendees were very pleased with the breakout sessions, speakers, and panels. At the state level, attendees included the Governor, 4-5 Department heads, Superintendent of Public Instruction, several Community College presidents, US Senator Enzi, and US Senator Thomas' staff, and many others. Also in attendance and making a presentation was US Department of Labor, Employment & Training Administration Assistant Secretary Emily DeRocco. Wyoming plans to make this a biannual event as they didn't feel the information could be updated quickly enough to allow for an annual Summit. In addition, the cost was fairly extensive and it was time consuming.

Ms. Watson advised the committee that there were several options for holding a Montana Workforce Summit, such as hosting one in conjunction with the September SWIB meeting and the Labor Day Report, or possibly partnering with Wyoming to hold a 2006 Summit. Dick Brown recommended not partnering with other states so that Montana can address specific issues affecting our state. Gary Willis asked if funding was an issue for the Summit or training. Ms. Watson explained it is likely funding issues can be resolved by working with local boards and other workforce partners. Wendy Keating stated that before deciding to host a summit, there should be an action associated with it to bring positive

change or success. There needs to be a purpose or achievable outcome. Ellen Engstedt agreed and stated that the Governor's Summit on Healthy Forests was valuable because they highlighted the top issues and addressed them.

Wendy Keating moved to assign staff to research partners and funding options for training sessions and a workforce summit. Gary Willis seconded, the motion passed unanimously.

## **VI. President's High Growth Job Training Initiative**

Kelly Chapman presented information on the President's High Growth Job Training Initiative, which is designed to provide national leadership for a demand-driven workforce system that ensures no worker is left behind. It is a strategic effort to prepare workers to take advantage of new and increasing opportunities in high-growth, high-demand, and economically vital industries and sectors of the American economy. The foundation of the initiative is partnerships that include the public workforce system, business and industry, education and training providers, and economic development working collaboratively to develop solutions for workforce challenges.

The initiative identified the following twelve sectors at the national level: Health care, Construction, Geospatial Technology, Retail, Advanced Manufacturing, Transportation, Hospitality, Financial Services, Information Technology, Biotechnology, Automotive, and Energy. These twelve sectors were identified because they are expected to: add substantial numbers of new jobs to the economy, have a significant impact on the economy overall, impact the growth of other industries, be transformed by technology and innovation requiring new skills sets for workers, or because they are new and emerging businesses that are projected to grow.

Ms. Chapman reported that during the August transition planning session, the small group of SWIB members discussed development of proposals for Hospitality, Construction, Transportation, and a proposal to build connectivity and pipelines for workers in Retail, Hospitality, and Financial sectors. The group also discussed enhanced utilization of the registered apprenticeship program as one option for training workers in these sectors.

Kelly Chapman reported the committee and board have several options to consider. The committee can prepare proposals for the industries discussed by the transition planning team; postpone development of a proposal until after the election; or forego development of proposals indefinitely. The committee discussed the options, and Arlene Parisot reported that there is an education initiative to develop career pathways in community colleges, and the Office of the Commissioner of Higher Education (OCHE) has applied for grants in four sectors: Manufacturing in the Flathead, Information Technology in Miles City, Health Care in Butte, and the Creative Enterprise in Great Falls. She also stated that these current projects could tie together well if the board decides to pursue the grants. Arlene Parisot recommended moving forward to further investigate the grant proposal, as she felt there would be no reason to wait. Dick Brown agreed, and recommended pursuing along the lines of the OCHE project. Wendy Keating commented that the two projects may complement each other well, and that the SWIB doesn't have to apply for the grants, but can act as a convener. Chairman Beaudry asked what the timeline is for application, and Ms. Chapman advised there is no timeframe because the grants are funded through an open solicitation process, so they are ongoing. Jerry Driscoll asked who identified the 12 sectors, Ms. Chapman responded that they were identified by the U.S. Department of Labor.

Arlene Parisot moved to assign staff to research the initiative and bring grant proposal recommendations to the committee. Dick Brown seconded. Jerry Driscoll asked who would administer the grants, and Ms. Chapman stated that would depend on the grant proposal. Ms. Keating explained that it's the US

Department of Labor's funding, so you submit your proposal, and the grant can go directly to businesses. Jerry Driscoll made a motion for an amendment to the motion, asking that no grant proposals be submitted in the construction industry, as he believes they have sufficient funding. Ms. Chapman stated that the SWIB may not want to limit its options. Ken Switzer asked to make a public comment, and stated that regardless of the industry, the idea is to train young men and women in Montana. He also stated that based on his years of experience in the construction, the industry face challenges and should not be specifically excluded from the grant application process. Chairman Beaudry asked for any additional committee or public comment, of which there was none. He then asked for a second to Mr. Driscoll's amendment. There was no second from the committee, therefore the amendment failed, and Chairman Beaudry called for a vote on the original motion and second. All committee members voted in favor, excluding Jerry Driscoll who voted against the motion. Motion passed.

## **VII. Proposed Work Plan for 2005**

Kelly Chapman presented the SWIB draft work plan for 2005. At the August transition/strategic planning discussion, the small group that met brainstormed several ideas for the role of the State Board, projects the board may want to lead, and restructuring some of the ways the Board provides advice to the Governor and leadership to the system. The draft work plan incorporates several of the items discussed at this meeting, with suggested committee assignments.

One of the additions to the draft work plan for 2005 is to establish an Apprenticeship Committee. The Registered Apprenticeship Program is supposed to have an advisory board, and currently does not. Because this is a statewide program, it seems appropriate that the State Workforce Investment Board serve in this capacity. The State WIB has many members with experience and background in the apprenticeship program, including new members Margaret Morgan, Mike Waldenberg, Ken Switzer, and Mike O'Neill, as well as long time member Jerry Driscoll. Additional representation could be provided through the use of ad-hoc committee members. If added, the state's Apprenticeship and Training program staff and Pam Watson would staff the committee.

Another modification would be to revise the purpose or role of the Accountability Committee. The State WIB now plays an enhanced role in the development of workforce information products for use by businesses, job seekers, agencies, education, economic development, and many others. The US Department of Labor has communicated an expectation of State WIB involvement with labor market information to generate more local and current information, delivery of better analysis and interpretation, and a shift to a skills focus. The Executive Committee may want to consider changing the name and focus of the Accountability Committee to the Workforce Information Committee. The Research and Analysis Bureau could staff this committee.

Another revision would be to modify the purpose of the Workforce System Committee. In most cases, when the "State" or "Governor" is mentioned in the Workforce Investment Act, the reference is to the Statewide Workforce Programs Bureau in the Department of Labor and Industry. The bureau is designated by the Governor to take enforcement actions and carry out other duties of Section 122 in the Workforce Investment Act. Because the State WIB is a Governor's advisory board, the Executive Committee may want to charge the Workforce System Committee with advising the Statewide Workforce Programs Bureau on those matters the Governor has delegated.

Ms. Chapman reported that the committee and board have several options regarding the SWIB draft work plan for 2005. The committee may adopt the draft work plan as presented by staff and bring the plan to the full board for action. Approval of the draft work plan will give clear direction for the remainder of 2004, and provide a blueprint for the next Governor's State Workforce Investment Board. The draft work plan is presented as a starting point for the Board, and modifications are expected and encouraged. The second option would be for the Executive Committee to continue to work on the plan, and take action at a later date. While there may be value in holding off until the new administration takes office, it would likely push the development of a work plan back until April or May of 2005 due to the legislative session and appointment of new board members. It's easy for a board of this size to lose momentum, particularly if an action plan does not exist for anyone to work from. The committee could also forego development of a work plan, indefinitely.

Wendy Keating asked if an advisory board for apprenticeship is required for the program. Ingrid Childress, Administrator of the Workforce Services Division, Montana Department of Labor and Industry stated that is correct, and the establishment of this committee would help the program, sponsors, and the Department meet compliance. Dick Brown asked when the work plan would take effect, and Kelly Chapman replied that it would be effective upon action by the board. Arlene Parisot asked if the work plan is reviewed every year, and Ms. Chapman explained that historically there has not been a work plan. Gary Willis moved to establish an apprenticeship committee under the SWIB. Dick Brown seconded. Chairman Beaudry called for discussion. Arlene Parisot asked if the work plan were adopted as presented, would establishing the apprenticeship committee be included. Wendy Keating explained that would depend on if the committee adopted the full plan, or just certain sections. Ellen Engstedt stated that if the committee adopts the work plan now, it would cover all the proposed changes. She also stated that the plan is dynamic and can be changed or amended as needed. Ms. Engstedt also mentioned that having a work plan in place would be beneficial to new members who may be appointed by the Governor after January 1st. Diane Harkins agreed, stating that goals are needed to move forward with direction, so recommended adopting the structured plan.

Ellen Engstedt moved to adopt the proposed work plan. Gary Willis asked if this would be an amendment to the initial motion, or replace it. Dick Brown stated he would withdraw his second, if Mr. Willis withdrew his original motion, which they both did. Gary Willis seconded the motion of Ms. Engstedt. Dick Brown asked if the committee is required to bring the work plan before the full board for action, and Chairman Beaudry confirmed that was the case. He then called for further committee or public comment, of which there was none. Chairman Beaudry called for a vote on the motion, which passed unanimously, with Wendy Keating abstaining.

### **VIII. 2004 Review of Events in the Workforce System**

Chairman Beaudry introduced Ingrid Childress, Administrator of the Workforce Services Division, Montana Department of Labor and Industry. Ms. Childress advised that her report was in response to questions raised by a series of letters that had been sent to SWIB members.

A Dislocated Worker Unit (DLW) is required under the U. S. Department of Labor, and at the state level, the unit falls within the Workforce Services Division. There has been some activity in the Kalispell area during the last year where they experienced an initial lay off of over 300 people, with a second lay off resulting from a plant closure. In response to this event, the DLW unit convened a Dislocated Worker work group to develop a national emergency grant (NEG) proposal, and an NEG was awarded to the area. The initial grant was written to be operated through 2 programs to accommodate the requirement to offer dislocated workers options for services. In this grant, Operator "A" was to receive 2/3 of the funding, and Operator "B" would receive 1/3. This ratio was determined based on

expected service delivery. Actual services were being sought at different ratios, with approximately 50% of dislocated workers seeking assistance with Operator B. Operator B asked for a reallocation of the funding so they would not run out of service dollars. The Dislocated Worker Unit researched the issue, and after weighing all considerations, reallocated funding in late July. The reallocation was not based on quality of service or based on one operator being a better provider, it was simply based on where the dislocated workers were going for service. Jerry Driscoll asked if it was a situation where Operator B asked if they could move their own money. Ms. Childress responded that no, the Job Service, who has been identified as Operator B, has a contract with the Dislocated Worker Unit for services. Gary Willis asked Ingrid Childress who she is referring to as Operator A? Ingrid replied it is Project Challenge - Work Again. Ellen Engstedt asked if it is an unusual circumstance that the ratio be miscalculated. Ms. Childress replied that historically, National Emergency Grants use 2 partners, and this was unexpected based on the experts writing the grant.

Chairman Beaudry asked for any additional committee or public comment, of which there was none.

#### **IV. Adjournment**

Chairman Beaudry invited committee members, guest, and members of the public to attend the gubernatorial candidate's forum to be held following the committee meeting, and adjourned the Executive Committee meeting at 5:30 p.m.

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Haley Beaudry, Chairman

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Date